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SUPPORT BY THE UNITED NATIONS SYSTEM OF THE EFFORTS OF GOVERNMENTS TO PROMOTE AND CONSOLIDATE NEW OR RESTORED DEMOCRACIES

Note verbale dated 10 September 1997 from the Permanent Representative of Romania to the United Nations addressed to the Secretary-General

The Permanent Representative of Romania to the United Nations presents his compliments to the Secretary-General and has the honour to transmit herewith a letter dated 9 September 1997 from Mr. Adrian Severin, Deputy Prime Minister, Minister for Foreign Affairs of Romania, addressed to the Secretary-General, requesting the circulation, as an official document of the General Assembly, under item 38 of the provisional agenda, of the document entitled "Progress Review and Recommendations" adopted at the Third International Conference of the New or Restored Democracies on Democracy and Development, held at Bucharest from 2 to 4 September 1997.

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ANNEX

Letter dated 9 September 1997 from the Deputy Prime Minister and Minister for Foreign Affairs of Romania addressed to the Secretary-General

In my capacity as Chairman of the Third International Conference of the New or Restored Democracies on Democracy and Development, held at Bucharest from 2 to 4 September 1997, I have the honour to transmit the document entitled "Progress Review and Recommendations" adopted by the participants in the Conference, by consensus.

I should be grateful if you would arrange to have the present letter and its appendix circulated as document of the General Assembly under item 38 of the provisional agenda.

(Signed) Adrian SEVERIN
Deputy Prime Minister
Minister for Foreign Affairs
of Romania

APPENDIX

Progress Review and Recommendations, adopted by the Third International Conference of the New or Restored Democracies on Democracy and Development held at Bucharest from 2 to 4 September 1997

INTRODUCTION AND PROGRESS REVIEW

We, the ministers and representatives of the New or Restored Democracies, meeting at the Third International Conference of the New or Restored Democracies on Democracy and Development, held at Bucharest, Romania, from 2 to 4 September 1997, reaffirm our commitment to the process of democratization of our societies, acknowledging the relationship of interdependence and mutual reinforcement that exist between democracy, development and good governance.

Nine years have passed since the First International Conference of the New or Restored Democracies was held at Manila, in the Philippines, and three years have gone by since the Second International Conference of this kind was held at Managua, Nicaragua. The orientations that came out of those conferences coincide largely with the general direction of the process of democratization presently under way in the world, as well as with the international recognition of the crucial importance of good governance.

Democratization is a world movement that affects North and South, East and West. In recent years there has been an almost universal recognition that a democratic system of government is the best model to ensure a framework of liberties for lasting solutions to the political, economic and social problems that our societies face.

However, as the new or restored democracies approach the twenty-first century, rapid political, economic and social changes continue to challenge their struggle for development and their institutions of governance. The three major areas of governance, the State, the private sector and civil society, are faced with new emerging issues in a complex and uncertain new era of globalization and interdependence. While countries in transition are compelled to correct the mistakes of the past; those in the post-transition phase are no longer prisoners of that past and can devote their energies, means and political will entirely to building a new future in which their citizens have the opportunity to shape their own destiny. In the same context the need to manage globalization is of the most particular importance.

Among the issues of particular concern are how to find ways to consolidate democracy, alleviate poverty, allocate more resources to the judiciary and absorb the social cost of structural adjustment. Other issues include managing financial and natural resources more efficiently and effectively and developing new institutional arrangements and mechanisms for sustainable human development, gender equality and citizens' participation in decision-making.

In some of the new or restored democracies, the State still has a weak capacity to govern and to maintain law and order. In others, the state

bureaucracy has grown rapidly and entrenched its position at the expense of the private sector and civil society. A public sector that is either too weak or too large can lead to serious ethnic, religious, political and economic conflicts, undermining sound governance and efforts to promote human development.

In many countries in transition to democracy, the State is facing the challenge to build new political and administrative structures. These new structures cannot be imported; they need time to develop and gain legitimacy. At the same time, while they are engaged in nation-building, these countries face serious financial constraints. Meanwhile, as resources from the international cooperation are declining, external debt continues to be a serious threat for democratization.

Some countries that were in the past dominated by military rule or totalitarian regimes have seen substantial progress in the re-establishing of democracy. The challenge to these States now is to consolidate their democratic achievements and reconciliation, to hasten economic and social reforms and to revitalize the civil society organizations that had little or no participation in governance during the period of military rule. Some of these countries need to find effective ways to change the role of the military from a destabilizing force in the past, to a positive one in the present and in the future, promoting security and stability instead of mistrust. Ways must also be found to deal with non-State actors, who in many situations employ violence and engage in terrorism to achieve their ends.

Most of the new or restored democracies are suffering from a widening gap between the reform of legal systems and the ability of Governments to apply laws effectively. The inability of Governments to enforce laws and restrain corruption in many cases provides immunity for those involved in crime and corruption. Although corruption is not a problem confined to the new or restored democracies, it reflects weak governmental control and an inability of civil society to act on behalf of citizens. The new or restored democracies should effectively manage legal reforms in order to meet the rising social and economic expectations of the population.

Most new or restored democracies have grappled with two major challenges in the past few years. On the political front, they have sought to consolidate democracy through elections and the strengthening of political parties and the judiciary, State reform and institutional development. On the other hand they have recognized the importance of attaining lasting improvements in the living conditions of the population. The real challenge today is how to strengthen democracy through the practices of efficient government, transparency and anti-corruption measures, in order to promote sustainable human development and bring the State closer to the people.

In this spirit, the new or restored democracies need to re-examine carefully the role of the State, along with the structure of their political systems, to find ways to make government more efficient and effective. For that reason, political, business, social and government leaders should engage in a democratic process with the citizens at large to find appropriate ways to reform

the governance system and to create an enabling environment to achieve the consolidation of democracy.

To achieve their development goals, the representatives of the new or restored democracies building on the Manila and Managua declarations, as well as on the Managua plan of action, recommend as a result of the Bucharest Conference, the following concrete and specific recommendations.

I. GUIDELINES FOR STRENGTHENING POLICIES AND PRINCIPLES ADDRESSED TO THE GOVERNMENTS OF THE NEW OR RESTORED DEMOCRACIES

A. Human rights

The most basic conditions common to all democratic societies is full respect for human rights. Being one of the main pillars of democracy, its observance should be strengthened in all the new or restored democracies. Particular emphasis should be placed on promoting and defending minorities' rights, including the protection of the rights of children, women and the elderly.

An important and solid basis for development of democracy, respect of human rights and basic freedoms is the peaceful settlements of conflicts with respect for territorial integrity of States.

B. Judicial reform

It is not possible to have a modern State without an independent and powerful judiciary, run by professionally qualified, powerful, responsible and impartial judges. Any Government chosen by the people of a new or restored democracy should provide a judiciary system that is well-financed independently administered and capable of designing transparent and lasting policies. An independent and powerful judiciary should have the capacity to establish sustainable lasting and autonomous control policies independent from the executive and legislative branches, with a clear responsibility oriented to public service, responding in an opportune, impartial, balanced, effective and transparent manner to all demands that are placed before it.

If judicial reform is conducted in a balanced and integrated manner it will benefit everyone. For the public in general, it will provide better access to justice, through the rule of law and protection of fundamental rights. It will make the business transactions in the private sector more predictable and cost-effective in terms of money and time. It will benefit the public sector because it will improve the confidence of citizens in its work.

However, efforts to reform the judiciary can be diluted and the historic opportunity lost if priorities, coalitions and plans to transform the judiciary in a prompt, adequate and opportune manner are not put into immediate effect. It is necessary, at the same time, to establish indices and indicators that transform data into important and useful information, with the objective of making decisions, implementing public policies and executing activities. The

process of transforming the judiciary, once there is a consensus on the objectives, should be measured and evaluated carefully on a permanent basis.

C. Corruption

Corruption occurs throughout the world, but is of special concern in poor countries, many of them new or restored democracies. With systemic corruption, even countries relatively well endowed with natural resources may fail to develop in a way that benefits ordinary citizens. Owing to the seriousness of the problem, Governments need to take urgent steps to implement anti-corruption policies. These policies should increase the benefits of being honest, increase the probability of detection and punishment, increase the penalties levied on those who are caught and reduce the corrupt opportunities under control of public officials.

Obviously this is not a problem that can be treated in isolation. A criminal law approach against corruption is not enough. Structural and procedural reform require a set of credible anti-corruption laws. Basic institutional reform may be needed before particular sectors can be reformed. Reforms have to be institutionalized so that they can endure changes in personnel and changes in political leadership. These include policies that increase the transparency and accountability of government operations, improve the conditions of civil service and increase the awareness of citizens about government programmes, including the ability to file for redress. Policies that encourage formation of non-governmental organizations and the establishment of a free press can act as forceful agents to expose corruption.

In the context of international law, countries should explore the possibility of establishing sanctions for foreign entities and organizations that corrupt, or attempt to corrupt, national officials and institutions in order to promote their special political and business interests. Those public officials who succumb to corruption should be punished and due recognition should be granted to those who resist it.

D. Organized crime

Organized crime, involving such illegal activities as money laundering and drug trafficking, is becoming a serious issue in many of the new or restored democracies. Many of these Governments are not equipped to confront and fight organized crime. In addition to the political will, a combination of training and law reform, as well as international cooperation, are required. International cooperation is also essential to help Governments to deal with this new and growing threat to society. More coordination between the new or restored democracies and the international community is needed to crack down on money laundering, reduce organized crime and to ensure that those involved in corruption face the full legal consequences.

E. Managing globalization

Managing globalization is a very important issue that comprises all sectors of the international society. In the current international environment it may be necessary to adopt new accords of global governability; that implies in itself a new moral contract for peace as well as new agreements on economic flows equity, control of financial speculation and the democratization of communications.

Managing globalization requires capable leaders, political will and ethical determination to assume the risk and the moral responsibility of change. To consolidate peace, democracy and development, taking into account the current danger of emerging economic models that lack justice, equity and solidarity, will require the implementation of at least eight principles. These imperatives are the following: to abolish corruption from politics; to solve conflicts of interest within the countries, in a democratic spirit; to stop the weapons race and to discourage waging war as a way of solving disputes; to promote peace and security for all; to give priority to children and the young in the solution of social problems; to eliminate impunity of public officials; to promote quality education for all; and to preserve the environment and bio-diversity.

F. Decentralization

Decentralization is an important means of strengthening democracy and building the basis for economic and social development. In a decentralized system where local and regional government have authority and resources, citizens can more easily influence their decisions. Political accountability can be exerted more easily when government is close to the people and when local authorities have the power to balance the central government. Adequate service delivery to the population also calls for decentralized forms of government. In that context, it is important to stress the responsibility for service needs to be closely linked to access to resources, preferably through the ability to impose local taxes. Economic development also calls for a strong local and/or regional government capable of promoting investments and employment in their respective areas.

Democracy guarantees individual freedom and rights, gives all citizens equality before the law and allows them to elect and remove their political leaders when required. Political decentralization also implies the selection of representatives from local electoral jurisdiction. Selection of officials from small jurisdictions allows citizens to know their political representatives better. These representatives, in turn, are more aware of the needs and desires of their constituents. Central governments should also consider the decentralization of their administrative units, so they can perform their functions more effectively and ensure the implementation of economic adjustment and human development programmes.

G. Political opposition

Democratization is the most reliable way to legitimize and improve governance, making it more open and responsive by increasing participation, more efficient by allowing for burden-sharing and more effective by giving scope for individual initiatives and voluntary cooperation. The respected participation of all political groups promotes political stability, thus facilitating economic and social development. Building democratic institutions and creating more opportunities for participation will help to ensure that the priorities of diverse social and political groups are considered in the formulation of national policies.

Individual involvement in the political process enhances the accountability and responsiveness of government. Governments that are responsive and accountable are likely to be more stable and to promote peace. Many internal conflicts stem from the belief, justified or not, that the State does not represent all groups in society or that it seeks to impose an exclusive ideology. Democracy is the way to mediate the various social interests in a particular community.

H. Political parties

Political parties are a vital element in governance. There is not a single democratic system in the world that has been able to dispense with their participation. Measures should be taken to improve their representation of citizens through electoral mechanisms. Democracy usually tends to function most efficiently when political parties are broad-based, rather than representing small, fragmented interests.

To encourage the formation of broad-based political parties, they could be constituted as formal and national organizations. It is essential that they practise internal democracy to give voice to varying interests within the party. To avoid parties being taken over by well financed special interests, their campaigns could receive public financing and electoral costs should be strictly controlled and transparent. Provisions should be established for small parties and independent candidates to participate in elections.

These institutional changes would allow, after a few electoral processes, the formation of a party system of few, but representative, organizations that, by virtue of being implanted in broad and varied sectors of society, will conserve the loyalty of a large number of voters, guaranteeing in this way, stability and the continuity of public life.

I. Elections

Often the first step a new or restored democracy undertakes is the organization of elections to select leadership. If the country is emerging from a totalitarian regime or one-party government, it is necessary to pay due attention to the conduct of elections from an administrative and organizational point of view, usually with the help of outside resources and expertise. Once

the freedom and fairness of the elections is established, it will be necessary to concentrate on the sustainability of the electoral processes. Electoral institutions are not the only relevant entity requiring strengthening in the overall electoral process. Other active participants include the participating political parties. The Legislature is responsible for preparing the legal framework for elections. The media will cover the process. The Police or the Armed Forces will ensure adequate environment without hindrances or intimidation. The full participation of domestic non-governmental organizations should be facilitated.

J. Gender equality

A good system of government must ensure gender-responsive development that is equitable, sustainable, free from violence, respectful of human rights and supportive of self-determination and the actualization of human potential. Efforts have to be made to ensure equal access to political and economic opportunities and equal rewards for labour. Women's skills should be made more competitive in the open market through special measures for education, training and development opportunities complemented through policy and legal interventions.

Institutions, including non-governmental organizations that promote gender equity, as well as equality, need to be strengthened. Government intervention may be required to create a framework for the promotion of gender equality, changing social and institutional norms, establishing educational and other programmes for increased women's participation in political and socio-economic activities.

K. Civic education

In many of the new or restored democracies, the consolidation of democracy and sustainable human development will require strengthening civic education to create broad awareness of the rights of citizens and the responsibilities of government institutions.

The consolidation of democracy implies that all institutions of society work together for a better understanding of the role of political parties, strengthening the judiciary and law enforcement, fostering openness and accountability of the legislature and other institutions, expanding local management capabilities and developing a broad national policy framework that allows local activities to flourish. Supporting civil education is essential for long-term progress in democratization; it is also crucial to develop public awareness and confidence in the political systems and to legitimize local organizations, strengthen citizen oversight of government and create capacity for political participation.

L. Accountability and transparency

Accountability to the public requires that individuals can easily obtain information about what the State is doing and that they can use this information to hold public officials accountable. Governments must publish budgets, revenue collections, executive decisions and orders and the proceedings of legislative bodies. Public accounts should be independently audited. Governments that make it difficult for independent voices to be raised in criticisms will find it hard to establish a credible commitment to honest and transparent government. Civil society and the private sector can be an important check on arbitrary exercise of power, but only if government provides information on its activities and if people are free to organize themselves into associations committed to enforce checks and balances.

Laws that make it easy to establish associations and non-profit organizations for this purpose can help. Publicity through the media is another important factor. Non-profit organizations can carry out and publish public opinion surveys, which reveal public attitudes towards government services. Individuals are unlikely to complain about government operations unless they have the legal protection against arbitrary state interventions. Special tribunals and ombudsmen may counteract the powerlessness of ordinary people faced with bribery demands and other forms of misuse of power. An alternative is the creation of "hot lines", so citizens can complain directly to the Government.

M. Media and press

A responsible and independent media can engage Governments and people in national and global affairs. In this way, the global communications revolution and the global wave of democratization are mutually reinforcing. A free press is a vehicle for democratization and democratization promotes an open society in which a free press can flourish.

In this age of instant information and communications, the media has become not only a major venue for dialogue and debate within and among States but also an international actor with a distinct role on the international stage. The media can help keep politics open, responsive and accountable. The new or restored democracies have to protect the independence and freedom of news organizations and to defend the rights of all people, as set out in article 19 of the Universal Declaration of Human Rights.

N. Civil service reform

With the change in the role of the State, the role and the functioning of the civil service will also have to be reviewed and sometimes radically changed. Civil service reform is needed in new or restored democracies in order to redefine systems and tasks, optimize numbers and upgrade competence. Improvements in the functioning of the public administrations need to be ongoing to adjust to new policies and advances in technology and means of communications.

II. RECOMMENDATIONS, SPECIALLY RELATED TO CIVIL SOCIETY AND THE PRIVATE SECTOR OF THE NEW OR RESTORED DEMOCRACIES

A. Civil society

The new or restored democracies should provide an enabling environment that allows institutions of civil society to develop and to perform their functions freely. This requires the cooperation of Governments and the support of the private sector. A legislative and regulatory framework is necessary to guarantee the right of association, financial support and tax incentives to strengthen civil associations, as well as agreed mechanisms for the involvement of civil society in the decision-making process. Such legislation should allow for and stimulate diversity in ways of organizing and funding of civil associations, while at the same time protecting their integrity and accessibility to all citizens.

Civil society organizations can have an impact on economic, political and social development when they work in cooperation with each other, the Government and the private sector. Sometimes they serve societies and their members best in an advocacy role, promoting human rights, freedom of expression or the specific rights of their members. They can contribute also to economic development as well as to the consolidation of democracy.

Civil society organizations can also make powerful contributions to sustaining human development in all societies, but especially in former totalitarian countries where civil networks were not encouraged. There should be more interaction and cooperation between the civil society and international organizations, in general, and the United Nations and its agencies, in particular.

It is suggested that civil society organizations undertake regional initiatives to further their cooperation with counterparts in other countries; these initiatives could take the form of regional or subregional workshops and forums. A vital civil society can be both a source of innovation for economic development and a valuable partner for Governments in democratic consolidation.

B. Private sector

The private sector has a crucial role to play in the consolidation of democracy and the promotion of sustainable human development, because of its ability to distribute economic power, facilitate demand-driven resource allocations, increase economic efficiency and provide productive employment, making it possible for the population to improve its standards of living. The ability of the private sector, including the informal sector, to function and expand employment depends to a great extent, however, on the national policy framework, the country's competitive position and the global business environment. The private sector could take more initiatives on a regional or global basis to foster democratization in the regions and the world. The business forums and councils so far established should also consider issues related to democratization.

The private sector has its own responsibilities to ensure that they act in the best interests of the population and of the countries concerned. As part of this responsibility they should consider funding more initiatives taken by other segments of a democratic and civil society related to the consolidation of the new or restored democracies. To establish conditions that help the private sector to be competitive in the emerging global economy, the Governments of new or restored democracies should provide a predictable legal framework, control of corruption, high quality public service and a supportive environment. To ensure the sustainability of economic progress, Government should also develop the necessary regulatory framework to protect the environment and assist the underprivileged in society.

In addition, traditional and industrialized democracies should encourage their private sector to invest in countries that are both democratizing and liberalizing their economies.

III. RECOMMENDATIONS ADDRESSED TO DONOR COUNTRIES AND THE INTERNATIONAL COMMUNITY

A. Higher priority in resource allocation should be given to governance, democracy and participation

In order to achieve the desired success in the process of democratization, the international community should make a commitment to collaborate with the new or restored democracies, to provide adequate support for the attainment of the objectives of achieving democracy and fostering and expanding governance, democracy and participation programmes. It is urgent that the international community lends greater attention to the obstacles that the new or restored democracies are facing in order to sustain the momentum of their current progress.

Through policy dialogue and capacity-building, the mature democracies can help to support effectively the efforts of governments and civil society in the new or restored democracies. New management styles and techniques and more flexible funding mechanisms as well as support for institutional strengthening and networking by local organizations can have a strong impact. Both bilateral and multilateral aid agencies have to adapt their capacities and programme design to meet these new requirements. In post-conflict situations, lasting reconciliation is jeopardized if donor countries fail to fulfil their commitments in a timely manner or if they withdraw their moral and financial backing of emerging democracies too quickly. As governance and democratization issues are becoming more and more the pillars of sustainable development, the donors should take their fully into account in their funding priorities.

B. External debt

While some of the new or restored democracies are making every effort towards improving their various economies, through structural adjustment measures, the resources of some of them are constrained by the huge debt inherited from the previous regimes. Debt service obligations continue to

consume large proportions of national income at the expense of developing economic and social infrastructure for sustainable human development. In this regard, the representatives to the Third International Conference of the New or Restored Democracies calls upon the donor community to cancel the debt of countries that are on a genuine path to democracy.

C. Coordination

The growing convergence among the traditional and the new or restored democracies on the central importance of democratization, good governance and sustainable development provides the basis for effective partnership and coordination to work on the democratization, development and governance links. This coordination can be strengthened if civil society including the private sector are also able to advocate needed reforms in the political, social and economic fields. Technocratic approaches to institutional change and legal reforms will fail without effective local demand for change expressed through local constituencies.

Donors and all segments of the international community should organize joint conferences like the one on governance supported by the United Nations Development Programme in July 1997 in New York, where government officials, parliamentarians, local politicians and non-governmental organization representatives met together to discuss democratization issues.

D. Working on indicators

Taking into account different definitions of democracy the new or restored democracies, with the support of international institutions and the academic world, should establish indicators to review the advances in the processes of democratization. At the same time, Governments should be encouraged to reinforce their commitments.

IV. RECOMMENDATIONS ADDRESSED TO THE UNITED NATIONS SYSTEM AND THE INTERNATIONAL FINANCIAL ORGANIZATIONS

A. International Monetary Fund and World Bank

The continued and strengthened support of the International Monetary Fund and the World Bank to help new or restored democracies to reform economic and social policies and institutions, to improve the effectiveness of the State and advance development, to re-establish security and to build capacities is strongly recommended. In doing so, they should be aware of the real difficulties and obstacles that the new or restored democracies are facing, and also realize that economic reforms and structural adjustment programmes that do not take social realities into consideration could destabilize processes of transition towards democracy and fuel social and political tensions.

International assistance for democratization and reform need to be tailored to fit into broader political and social changes in each country. There should

be more frequent contacts and cooperation between the Bretton Woods institutions and sectors of the United Nations system dealing with governance, democratization and peace-building.

B. United Nations system

The role of the United Nations system in helping the new or restored democracies to meet their challenges is of greatest importance. The United Nations should also continue discussing new ideas and suggestions concerning democracy and good governance put forward by Governments and representatives of academia and civil society.

United Nations activities should also be designed to help meet the special circumstances and priorities of each country and, at the same time, offer guidance for the implementation of the recommendations and plans of action adopted by the major United Nations world conferences.

The Conference acknowledged the increased focus of the United Nations activity in support of good governance and democracy. The Conference recognized the excellent work being done by the Secretary-General and the United Nations Development Programme in supporting and monitoring the efforts of the new or restored democracies as mandated by the General Assembly, and invites them to continue with these efforts.

V. FOLLOW-UP OF THE CONFERENCE

The representatives to the Bucharest Conference of the New or Restored Democracies on Democracy and Development recommend that a follow-up of the present recommendations be undertaken. Special attention should be given to the establishment of this follow-up mechanism or secretariat.

The follow-up will provide information about country programmes and treatment of specific issues. This will help facilitate communications and better understanding among the new or restored democracies, as well as their cooperation with the traditional ones and national and international organizations, to improve the results of programmes and enhance cooperation. The process of establishing a follow-up should be carried out in a neutral, transparent and cost-effective manner. Pending the establishment of this mechanism, the President of the Third International Conference of the New or Restored Democracies will perform that function in cooperation with participating countries. The objective of the follow-up is to have issues treated systematically to share the progress made by each country according to its own circumstances rather than absolute standards. This may include the elaboration of indicators.

In addition to the participating countries, this mechanism may include the United Nations system, especially the United Nations Development Programme, competent regional organizations and institutions, as well as internationally recognized and accredited bodies, as the International Institute for Democracy and Electoral Assistance.

VI. VENUE OF THE NEXT CONFERENCE

It was agreed that the Fourth International Conference of the New or Restored Democracies be held in an African country. The Conference took note with satisfaction of the offer made by Benin to host the Fourth International Conference and of Mongolia to host one of the future conferences. It also noted the suggestion made by the Philippines that a summit meeting of Heads of State or Government be held in the year 2000 in order to consolidate the gains of the new or restored democracies and to underscore the interaction between peace, democracy and development for the next millennium. It was decided to empower the President of the Third International Conference to conduct consultations in this respect and inform all participating countries about the results.